

Saturna Capital Retirement Plans



Fresh Perspectives

The Saturna Capital 401(k)

*“Your plan
should be worth
every penny
you invest.”*

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**Nick Kaiser, Chairman
& Chief Investment Officer**



Introduction

Saturna Capital Corporation's 401(k) plan is comprehensive, manageable, and affordable – benefiting both employers (plan sponsors) and employees (plan participants).

Employers can adopt a complete 401(k) plan based on modern technology that features IRS-compliant plan documents, employee-directed accounts, online account management and online education materials. Employers utilize Saturna Capital to provide third-party data processing, discrimination and compliance testing, government forms preparation and extensive operational assistance – all at a simple-to-understand, affordable price.

Employees benefit from daily asset valuation and fund transactions, a discount brokerage account option, online statements with vesting and loan balances, online investment education, online account maintenance forms and the ability to update their personal data anytime.

401(k) plans are powerful employment incentives and a major part of America's retirement savings. But for a plan to be successful, it has to operate easily and at low cost for the employer and for the employees. For some companies, the cost and complexity of operating a 401(k) plan seems prohibitive. For others, terminating a plan after years of high fees, poor investment performance and hassles might seem like an easy decision.

There is a better alternative: Saturna Capital's 401(k) plan – providing real "value for your money."

"We believe that our clients' interests always come first."

The Saturna Advantage

Establish your 401(k) with Saturna Capital and take advantage of:

A Wide Range of Investment Choices

We offer a selection of Saturna no-load mutual funds with a variety of investment objectives. By investing in more than one fund, employees can tailor their 401(k) accounts to reflect their own risk and return objectives. In addition, employees are permitted to open self-directed discount brokerage accounts and buy common stocks, bonds, and other securities of their choosing.

Personalized Service

At Saturna Capital, we help make investing for retirement easy. Plan information is available online 24/7 to employees and their employers. Employees may also call Saturna's toll free phone number during business hours for inquiries or transactions. Employers are assigned a dedicated client relationship manager to assist with plan administration.

A Simple, Affordable Price

Saturna Capital Corporation recognizes its responsibilities to the plans it services and keeps aggregate plan expenses fair and reasonable. The annual fee is \$750 plus .25% of total year-end plan assets. There are generally no "per employee" fees.¹

Employers should know that some plan service providers may receive compensation from mutual funds or asset managers for promoting specific products. Saturna Capital has elected to provide employers with a credit of .25% of total year-end assets held in Saturna-affiliated mutual funds to help reduce costs.

Full Fee Disclosure

Saturna Capital understands the importance of fully disclosing all fees associated with servicing a 401(k) plan. A detailed fee schedule for the Saturna Capital 401(k) plan is provided on pages 8 and 9. The schedule lists all employer and employee fees as well as all payments made to Saturna Capital and Saturna Brokerage Services in conjunction with servicing its plans.

A Full-Service Arrangement

The Saturna Capital 401(k) plan is a full-service arrangement. Our plans do not involve the services of outside providers, as all work from recordkeeping to investment management to marketing is done by Saturna's staff. Full-service arrangements eliminate the need for employers to deal with and monitor multiple service providers. This eases the employer's burden to consider any potential conflicts of interest that may arise when using multiple providers.

¹ Some special employee transactions incur additional fees. Refer to the Fee Schedule on page 8 for more details.

Plan Services

Saturna Capital Corporation is there every step of the way from implementation to the annual continuing education meeting. We provide professional guidance for plan design, document preparation, plan setup, company census, employee enrollment and continuing education. All services listed below are included in the Saturna 401(k) plan.

Services	Benefits
Implementation	
<input type="checkbox"/> Prototype plan & trust agreement	✓ Pre-approved by the Internal Revenue Service
<input type="checkbox"/> Standardized adoption agreement	✓ Simple, yet flexible to meet your plan needs
<input type="checkbox"/> Summary plan description	✓ Informs employees about the plan
Administration & Recordkeeping	
<input type="checkbox"/> Processing of contributions, distributions, loans, hardship withdrawals, vesting and investment selections	✓ Simplifies plan management
<input type="checkbox"/> Daily valuation of plan assets	✓ Know the current value of your assets, 24/7
<input type="checkbox"/> Annual non-discrimination and compliance testing	✓ Helps ensure the qualified status of your plan
<input type="checkbox"/> Preparation of Forms 1099R and 5500	✓ Makes tax reporting easier
Employee Online Tools, Education and Support	
<input type="checkbox"/> Online statements and account management	✓ Know how employee accounts are doing, 24/7
<input type="checkbox"/> Traditional plus Roth 401(k) options	✓ Flexibility to maximize your savings
<input type="checkbox"/> Eight no-load Saturna mutual funds	✓ Two families of funds with several investment objectives to help you meet your investing goals
<input type="checkbox"/> Self-directed discount brokerage accounts	✓ Wide selection of investments to help build your future
<input type="checkbox"/> Online tools for investment selection	✓ Select investments that meet your needs
<input type="checkbox"/> Dedicated toll-free phone and e-mail support	✓ Customer care for you
Employer Support	
<input type="checkbox"/> Online reporting, plan summary and transaction details	✓ Bird's eye view of your plan, 24/7
<input type="checkbox"/> Signature-ready Form 5500 for IRS reporting	✓ Saves you time with key document preparation
<input type="checkbox"/> Dedicated Client Relationship Manager	✓ Ensures your current and future needs are met

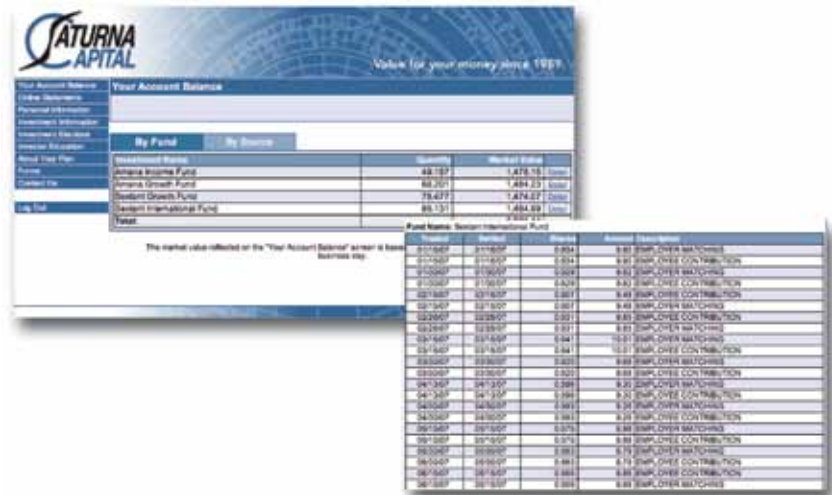
“We don’t follow trends, we analyze opportunities.”

Your Plan’s Dedicated Website

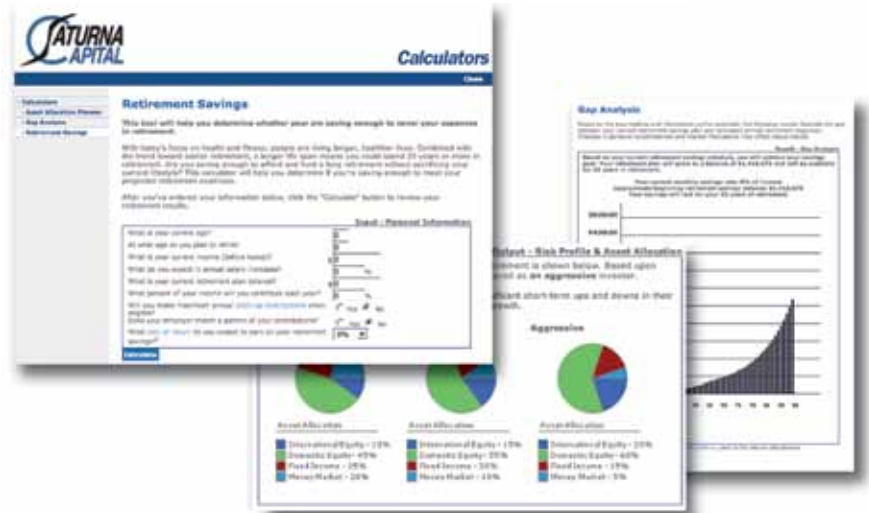
The Saturna Capital web platform allows employees the flexibility and control needed to guide them to retirement. Employees can access their accounts online to:

- View account balances with vesting and detailed transaction history
- View and/or change investment elections by funding source
- View quarterly statements
- Download account maintenance, loan request and distribution forms
- Access retirement planning calculators and educational material
- Change their personal data (including contact info, logins and passwords)

View account balances and detailed transaction history:



Retirement planning calculators and educational materials:



General Plan Guidelines

Plan Eligibility

Generally, any business may have a 401(k) plan. In establishing a plan, the employer sets the eligibility requirements. For example, employees under the age of 21 or who have not accrued one year of service may be excluded.

Tax Advantages

As an employer, you normally can deduct contributions you make on behalf of your employees from your business expenses.

Any eligible employees may elect to defer part of their salary and direct that money into 401(k) accounts. Because these contributions are deferred before certain taxes are withheld, they actually reduce contributing employees' taxable income. Any earnings within the account enjoy tax-deferred growth until withdrawn.

Employees can also elect to defer part of their salary into a Roth 401(k) account. Roth 401(k) account contributions do not reduce an employee's taxable income, however qualified distributions (including earnings) are tax-free.

Establishment Deadlines

Employers who want to establish a 401(k) plan must do so by the last day of the plan year (usually the calendar year).

Contribution Flexibility

- **Employee contributions** – Eligible employees can elect to defer up to 100% of their compensation up to a maximum of \$16,500 for 2011. Employees age 50 and older can make additional catch-up contributions up to \$5,500 for 2011.
- **Employer contributions** – Employers may contribute, on behalf of each eligible employee, up to 25% of their compensation or \$49,000, whichever is less.
- **Total contribution limit** – Aggregate contributions for each employee cannot exceed \$49,000 plus catch-up contributions.

Other Key Advantages

- Allows for profit-sharing contributions
- Vesting schedule applies to employer contributions
- Loans, hardship withdrawals, and Roth contributions are allowed



For help call x102
Rachel Lewis,
Manager of 401(k) Client Services

Common goals.
Common rewards.
Common sense.

Fee Schedule

Employer (Plan Sponsor) Fees

Annual Fee	\$750 plus 0.25% of total assets [†]
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[†]At Employer's discretion, fee is charged to either the Employer or the Plan.

Credit for holding affiliated Mutual Funds

Plans are credited	0.25% of total plan assets held in affiliated mutual funds
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Employee (Participant) Fees

Enrollment	None
Account maintenance	None or 0.25% of total assets [†]
Affiliated mutual fund trading	None ^{††}
Mutual fund expenses	See next page
Loan (if any) annual	\$60
Plan departure	\$60

[†]At Employer's discretion, 0.25% of total year-end assets is charged to either the Employer or the Plan. If charged to the Plan, fees are allocated to individual Employee (Participant) accounts.

^{††}Shares of Saturna's affiliated mutual funds held less than 90 calendar days are subject to a 2% redemption fee.

Self-Directed Brokerage Accounts

Trades in Self-Directed Brokerage Accounts are subject to the commission schedule detailed in the Guide to Saturna Brokerage brochure. All applicable commissions are paid to Saturna Brokerage Services. Depending on each employee's investment choices, Saturna Brokerage Services may also receive sales charges (loads) and/or 12b-1 fees from non-affiliated mutual funds and Dreyfus money market funds.



For help call x101
Rochelle Wolber,
Brokerage Operations Manager

Mutual Fund Expenses

The following tables describe the fees and expenses mutual fund shareowners may pay. The Funds impose no sales charge (load) on purchases or reinvested dividends, or any deferred sales charge (load) upon redemption. There are no exchange fees or account fees. Investments in mutual funds are subject to ongoing expenses. Saturna endeavors to keep these fees low. We encourage you to compare the following fees with similar fees of other no-load mutual funds:

Shareowner Fees (fees paid directly from your investment)	
All Saturna Mutual Funds	
Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of offering price):	0%
Maximum Deferred Sales Charge (Load):	0%
Maximum Sales Charge (Load) Imposed on Reinvested Dividends/Distributions:	0%
Early Redemption Fee (applied to shares held less than 90 calendar days):	2%
Exchange Fee (between Saturna's affiliated funds):	0%
Maximum Account Fee:	0%

Annual Fund Operating Expenses (expenses deducted from Fund Assets)					
Amana Dreyfus Mutual Funds	Amana Growth¹	Amana Income¹	Amana Developing World¹	Dreyfus Treasury & Agency Cash Management²	Dreyfus Cash Management²
Management Fees	0.81% ³	0.88% ³	0.95% ³	0.20%	0.20%
Distribution (12b-1) Fees	0.25% ⁴	0.25% ⁴	0.25% ⁴	0.25%	0.25%
Other Expenses	0.08%	0.08%	0.41%	0.01%	0.01%
Total Annual Fund Operating Expenses	1.14%	1.21%	1.61%	0.46%	0.46%

Sextant Mutual Funds	Growth⁵	International⁵	Core⁵	Short-Term Bond⁵	Bond Income⁵
Management Fees	0.45% ³	0.59% ³	0.45% ³	0.46% ³	0.46% ³
Distribution (12b-1) Fees	0.25% ⁴	0.25% ⁴	0.25% ⁴	0.25% ⁴	0.25% ⁴
Other Expenses	0.31%	0.19%	0.51%	0.63%	0.53%
Total Annual Fund Operating Expenses	1.01%	1.03%	1.21%	1.34%	1.24%
Less Fee Waiver/Expense Reimbursement	(0.00)%	(0.00)%	(0.00)%	(0.59)%	(0.34)%
Net Annual Operating Expenses	1.01%	1.03%	1.21%	0.75%⁶	0.90%⁶

¹As of 9/9/2011 (for the fiscal year ending May 31, 2011). ²As of 6/1/2011 (for the fiscal year ending January 31, 2011). ³Paid to Saturna Capital Corporation. ⁴Paid to Saturna Brokerage Services, Inc. ⁵As of 3/25/2011 (for the fiscal year ending November 30, 2010). ⁶Saturna Capital has voluntarily capped expenses of the Short-Term Bond Fund at 0.75% and expenses of the Bond Income Fund at 0.90% through 3/31/2012. Management fees for both bond funds are contractually waived when assets are less than \$2 million.

Saturna no-load mutual funds and Dreyfus money-market mutual funds are distributed by Saturna Brokerage Services, Inc., a wholly-owned subsidiary of Saturna Capital. Please consider an investment's objectives, risks, expenses and charges carefully before investing. To obtain a prospectus or summary prospectus that contains this and other important information about these mutual funds, please call 1-800-SATURNA or visit www.saturna.com. Please read the prospectus or summary prospectus carefully before investing.

“There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction.”

- John F. Kennedy

A Few Words About Risk

The value of mutual fund shares rises and falls as the value of the securities in which a fund invests goes up and down. Only consider investing in a fund if you are willing to accept the risk that you may lose money. Fund share prices, yields and total returns will change with the fluctuations in the securities markets as well as the fortunes of the industries and companies in which a fund invests.

The Amana Funds limit the securities they purchase to those consistent with Islamic principles which limits opportunities and may increase risk.

Growth funds may invest in smaller companies, which involve higher investment risks in that they often have limited product lines, markets and resources, or their securities may trade less frequently and have greater price fluctuation than those of larger companies. Growth stocks, which can be priced on future expectations rather than current results, may decline substantially when expectations are not met or general market conditions weaken.

International investing involves additional risks not typically associated with investing in U.S. securities such as currency exchange rates, less public information about securities, less government market supervision and lack of uniform financial, social and political standards.

The risks inherent in the bond Funds depend primarily on the terms and quality of obligations in their portfolios, as well as on bond market conditions. When interest rates rise, bond prices fall. When interest rates fall, bond prices go up. Bonds with longer maturities are usually more sensitive to interest rate changes than those with shorter maturities. These Funds also entail credit risk, which is the possibility that a bond issuer will not be able to pay interest or principal when it is due.



Step By Step: Setting Up Your 401(k)

Employers:

- ❑ 1. Review and sign the **Recordkeeping Agreement**.
This is the document that details the recordkeeping and administrative services Saturna Capital will perform.
- ❑ 2. Work with a retirement plan specialist to choose your desired plan options.
We prepare your Basic Plan Document and Adoption Agreement based on your directions.
- ❑ 3. Review and sign the **Basic Plan Document** and **Adoption Agreement**.
*Taken together, these form your **401(k) Plan Document**; they detail the provisions of the Plan and how it should operate.*
- ❑ 4. Notify employees of the plan and adopt your procedures for administering the plan.
We prepare your Summary Plan Description for distribution to your employees.
- ❑ 5. Keep a copy of all completed employee enrollment forms for your records. Return a copy of all completed enrollment forms to Saturna Capital.

Employees:

- ❑ 1. Review your company's **Summary Plan Description**.
Be sure you understand how the Plan works and your Plan's options.
- ❑ 2. Complete and sign the **Wage Deferral Agreement**.
- ❑ 3. Complete and sign the **Investment Election Form**.
Be sure to read the Prospectus or Summary Prospectus of each Fund selected. Sextant Core Fund will be the default option if no selection is made.
- ❑ 4. Complete and sign the **Beneficiary Designation Form**.
- ❑ 5. Return all completed documents to your company's Plan Administrator.



For help call x502
Matt Ward,
Retirement Plans Specialist

*“At Saturna,
we believe in
making your
investment
dollars work
hard for you.”*

Another Option: Employer IRAs

Saturna also offers these Employer-Sponsored IRAs, described fully in a separate brochure:

SEP-IRA

A Simplified Employee Pension Plan allows an employer to make deductible contributions to separate IRA accounts established for each eligible employee.

SIMPLE-IRA

A Savings Incentive Match Plan allows employees to make salary deferral contributions to an IRA.

In determining which of these retirement plans is most appropriate for your business, you'll want to consider a few key questions, including:

1. How much, if any, responsibility do you want the business to have for contributing to employee retirement plans?
2. What percentage of compensation do you want employees to be able to contribute each year?
3. Do you want to require the business to contribute to the plan on behalf of the employees?
4. Do you want employer contributions to be subject to a vesting schedule?

The next page helps you compare these retirement plan options. See which plan is the best solution for your business.



**For help call x304
Meredith Ross, Director
Investor Accounts Manager**

Employer IRA vs. 401(k) Comparison

	SEP-IRA	SIMPLE-IRA	401(k)
Eligible Employers	Any self-employed individual, business owner, or individual who earns any self-employed income in excess of \$550	Businesses with 100 or fewer eligible employees and who do not currently maintain any other retirement plan	Generally, any business may establish a 401(k)
Key Advantages	Easy to set up and maintain; flexible annual fund requirements	Salary deferral plan with less administration than a 401(k)	Salary deferral plan with higher contribution limits; profit sharing, Roth accounts, loans and deferred vesting available
Funding Responsibilities	Employer contributions only	Funded by salary deferral and employer contributions	Funded by salary deferral and employer contributions, if elected under the plan; employer profit sharing
Contribution Flexibility	Contributions are discretionary	Employer contributions are mandatory	Employer matching contributions, if elected under the plan, are mandatory; profit-sharing contributions are discretionary
Maximum Annual Contribution Per Employee	Employer: The lesser of \$49,000 for 2011 or 25% of annual compensation (20% of self-employed income)	Employee: The lesser of \$11,500 for 2011 or 100% of compensation (plus catch-ups) Employer: Either match employee contributions dollar for dollar up to 3% of compensation (maximum \$11,500 for 2011 plan year); can be reduced to as low as 1% in any 2 out of 5 years or contribute 2% of each eligible employee's compensation, up to \$4,900	Employee: The lesser of \$16,500 for 2011 or 100% of compensation (plus catch-ups) Employer: May be set by plan Overall maximum contribution (from all sources) is 100% of compensation, not to exceed \$49,000 for 2011 (plus catch-ups)
Catch-up contributions	None	\$2,500 for ages 50 and up	\$5,500 for ages 50 and up
Roth Accounts	No	No	Yes
Vesting	Contributions are immediately 100% vested	Contributions are immediately 100% vested	Employee salary-deferrals are immediately 100% vested Employer contributions may be subject to a vesting schedule
Loans	No	No	Yes
Age Restrictions	May exclude employees under age 21	None	May exclude employees under age 21
IRS Reporting By Employer	None	None	Form 5500
Establishment Deadlines	Employer's tax-filing deadline, including extensions	Oct. 1 of the year for which the plan is being established	The last day of the employer's plan year (usually calendar year)
Employer-paid Fees	None	None	Annual fee of \$750, plus 0.25% of year-end plan assets less 0.25% of affiliated fund assets

To find out more about SEP IRAs or SIMPLE IRAs, please contact Saturna Capital for a free copy of the Employer-Sponsored IRAs brochure or speak to a retirement plan specialist.

“Award winning investment management.”

Saturna - Facts & History

Saturna Capital Corporation

Founded in 1989, Saturna Capital Corporation is a premier national, independent investment firm based on six principles:

- Strong investment results
- Quality personal service
- Uncompromising loyalty to clients
- Advanced technology
- Financial strength
- Low fees and expenses

Owned by investment professionals, predominately Mr. Nicholas Kaiser and his family, Saturna’s broad experience distinguishes it in the investment business. Each employee is committed to creating and maintaining a unique firm, where client interests always come first.

With our main office located in Bellingham, Washington, between the Pacific Northwest’s major cities, Seattle and Vancouver, B.C., Saturna services clients across the U.S.

Saturna Capital manages more than \$3.7 billion in nine no-load mutual funds, plus private investment management accounts.

Saturna Brokerage Services, Inc.

Saturna Brokerage Services is a discount securities brokerage founded in 1986. SBS serves both knowledgeable investors and professionally managed private accounts. It is limited to executing customers’ buy and sell orders at a simple, low commission. SBS is a wholly-owned subsidiary of Saturna Capital Corporation. All Saturna Brokerage employees are salaried employees of Saturna Capital, and receive no commissions.



Owaiz Dadabhoy, x609
Southwest U.S.



Mushtaq Hussain, x605
Midwest U.S.



S. Ali Farooq, x613
Midwest U.S.



Nayeem Qureshi, x612
Western U.S.

In Summary ...

Why 401(k) Plans?

401(k) plans can be a powerful tool in promoting financial security in retirement. They are a valuable option for businesses considering a retirement plan, providing benefits to employees and their employers. Employers start a 401(k) for a host of reasons.

- A well-designed 401(k) plan can help attract and keep talented employees.
- It allows participating employees to decide how much to contribute to their accounts on a before-tax basis.
- Employers are entitled to a tax deduction for their contributions to employees' accounts.
- A 401(k) plan benefits a mix of rank-and-file employees and owner/managers.
- The money contributed may grow through investments in stocks, mutual funds, money market funds, savings accounts, and other investment vehicles.
- Contributions and earnings generally are not taxed by governments until they are distributed, facilitating faster compounding.
- A 401(k) plan may allow employees to take their vested benefits with them when they leave the company, easing administrative burdens.

Initial Actions

Here are four basic actions necessary to have a tax-advantaged 401(k) plan:

- Adopt a written plan
- Arrange a trust fund for the plan's assets
- Develop a recordkeeping system
- Provide plan information to employees

Operating A 401(k) Plan

Once employers have established a 401(k) plan, they assume certain responsibilities in operating the plan. Saturna Capital helps with all the responsibilities of establishing and operating your 401(k) plan, including:

- Participation
- Contributions
- Vesting
- Nondiscrimination
- Investing 401(k) monies
- Fiduciary responsibilities
- Disclosing plan information to employees
- Reporting to government agencies

For Additional Information

Talk to a Saturna Capital retirement plan specialist.

Information on this page is excerpted from the U.S. Department of Labor's Employee Benefits Security Administration website, www.dol.gov/ebsa.



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1-888-732-6262